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2012/02/09 : CIA-RDP90G00993R000100090001-6

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TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. DIRECTOR OF INFORMATION TECHNOLOGY		
2. DIRECTOR OF LOGISTICS		
3.		
4.		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

**REMARKS**

#s 1 - 2: FOR INFO/ACTION.

**DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions**

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.	
	7D24 HQS	STAT
		STAT

5041-102

**OPTIONAL FORM 41 (Rev. 7-76)**

**ROUTING AND RECORD SHEET**

SUBJECT: (Optional)

Proposal to Consolidate Maintenance Contracts  
Covering Wang Workstations and Terminals

FROM:

William F. Donnelly  
Deputy Director for Administration

EXTENSION

NO.

DDA 86-1633

**OIT/TRIS**  
**LOGGED**

DATE

24 September 1986

25X1

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Director *W*  
7D55 Hqs Bldg.

29 SEP 1986

✓

Jim:

1. Unless you perceive an objection, I would like to proceed to implement Option 1 in the attached memorandum from OL.

2. Please see the note from the Comptroller in ink immediately under this page.

2.

3.

4.

5.

6.

7.

8.

9. Deputy Director for  
Administration  
7D18 Hqs Bldg.✓ *WA*

10.

11.

*OK - let's do this!!*

12.

13.

14.

15.

William F. Donnelly

Att:

Memo fm OL

25X1

*Bill - let's do it - long overdue.*

25X1

25X1

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NOV 15 1986  
86-1545

## ROUTING AND RECORD SHEET

COMPT 86-1195

SUBJECT: (Optional)				NO.	
FROM: William F. Donnelly Deputy Director for Administration				DATE: 9 September 1986	
TO: (Officer designation, room number, and building)		DATE		OFFICER'S INITIALS	
		RECEIVED	FORWARDED		
1. Comptroller 7C21 Hqs Bldg			9/2/86	[Signature]	
2. Bill: - This is a good idea, we're looking at this time is look over the years					
3. - This is a good idea, we're looking at this time is look over the years					
4. FYI. But we can't get the DIA interested at the time. Don't know if this budget is a problem					
5. Budgeting for this subject we discuss with CDR & [unclear]					
6. It implements [unclear]					
7. ADDA				[Signature]	
8. Deputy Director for Administration 7D18 Hqs Bldg.			23 SEP 1986	[Signature]	
9.					
10.					
11.					
12.					
13.					
14.					
15.					

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

Danny:

1. For several reasons I agree with Option 1 in the OL memorandum. I think two contracts for handling our relationship with Wang in the metro area would be constructive. Any step which might save up to \$1M will look good in FY-87.

2. Having said this, in the long run, does centralizing the budgeting for Wang maintenance in OIT make it a target for Congressional budget cuts? Some arrangement by which the money is acquired in a dispersed manner and then consolidated after the fiscal year begins might deal with this political concern.

3. What are your views on this topic? Do you support consolidation, taking into consideration OIT's caveats?

William F. Donnelly

Att:

OL, OF, OIT Memos

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## ROUTING AND RECORD SHEET

DA/SEC  
OASD/ISA  
OASD/ISA

SUBJECT: (Optional)

FROM: John M. Ray  
Director of Logistics

EXTENSION

NO

OL 12063-86



OIT/TRIS  
LOGGED

DATE

25X1  
ZJAL

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Director of Finance  
1212 Key Building

11 Aug 86 C

2.

3. D/OIT  
2D00 Headquarters

OIT has taken action to  
prepare a response for  
DDA signature.

4. DD/OIT

14 Aug 86 LAC

5. ~~Comptroller~~  
~~7D21 Headquarters~~

6.

7. DDA  
7D24 Headquarters

9 Sep 86 WRE

8.

9. ~~COMPTROLLER~~  
~~7C21 HQS.~~

10.

11.

12.

13.

14.

15.

~~CONFIDENTIAL~~

~~OIT 0769-86~~

06 AUG 1986

MEMORANDUM FOR: Deputy Director for Administration

VIA: Comptroller  
Director of Information Technology  
Director of Finance

FROM: John M. Ray  
Director of Logistics

SUBJECT: Consolidation of Maintenance Contracts  
Covering Wang Workstations and Terminals

1. The purpose of this memorandum is to request your assistance in reducing the paperwork and costs associated with contracting for maintenance of Wang workstations and terminals. The cost of maintaining Wang workstations and terminals has steadily increased. So far this fiscal year, Procurement Division has issued an estimated [ ] contract actions with an estimated dollar value of [ ]. These figures cover maintenance costs for both classified and unclassified contracts.

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25X1

2. We have had several meetings with Wang corporation officials to discuss ways to reduce our maintenance costs and to decrease the administrative burdens associated with our current practices. Wang has agreed to offer the Agency a volume discount based upon the dollar value of one or two contracts as opposed to the approximately [ ] contracts which are currently in existence. Consolidation of the [ ] contracts into two contracts, one classified and the other unclassified, offers much benefit to the contractor and to the Agency. We are very much interested in the opportunity to negotiate a volume discount with Wang and to realize a reduction in the overhead costs associated with the issuance, administration, and settlement of contracts. In order to achieve these objectives, we recommend that one of the three options set forth below be implemented:

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OL 12063-86



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12 August 1986

MEMORANDUM FOR: Director of Logistics

FROM:



25X1

Acting Director of Finance

SUBJECT: Consolidation of Maintenance Contracts Covering Wang  
Workstations and Terminals

REFERENCE: OL 12063-86 Subject Same

The Office of Finance (OF) endorses option one per the referenced memorandum, with the understanding that OF will transfer the required funds for Wang maintenance to the Office of Information Technology (OIT) until such time that the appropriate funds may be programmed into OIT's budget.

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OIT 0764-86

29 August 1986

MEMORANDUM FOR:

[REDACTED]  
DDA Management Staff

25X1

FROM:

[REDACTED]  
Chief, Management Division, M&CG/OIT

25X1

SUBJECT:

Consolidation of Maintenance Contracts  
Covering Wang Workstations and Terminals [REDACTED]

25X1

REFERENCE:

Memo for the DDA, frm D/OL, same subject,  
dtd 6 Aug 1986, OL 12063-86

1. The Office of Information Technology (OIT) agrees that Option 1 of the Reference , with certain caveats described below, would be most advantageous to the Government. Consolidation of the Agency's Wang maintenance contracts would result in an estimated savings of almost [REDACTED] dollars. In addition, a significant amount of internal paperwork would be avoided. This resource savings could be achieved through consolidation of the [REDACTED] or so existing contracts into a handful of new contracts. OIT is in a position to manage these consolidated contracts with no additional resources. A practical mechanism must, however, be designed to gather up existing component funds in a way that makes them available to OIT for use on the new consolidated Wang contracts.

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2. To achieve the savings, we would like to propose the following approach for FY 1987. The Comptroller, prior to making the Fiscal Year allotment, should transfer component funds sufficient to meet Wang maintenance requirements for the component to the OIT budget. These funds will be fenced in the OIT budget; i.e., the funds will not be subject to OIT internal reprogramming nor externally mandated cuts. These fenced monies must also not be used in computing any OIT-wide percentage cut. Fencing is required because Wang maintenance is a bill that must be paid and OIT has not budgeted to subsidize component Wang maintenance. We also recognize that fenced monies that are unused at the end of the Fiscal Year will revert to the Comptroller to meet Agency-wide requirements.

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3. One problem is the method of estimating the required

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component funding. In FY 1987, we propose that FY 1986 actual expenditures on Wang maintenance (as obtained from the OL CONIF database) be transferred to OIT. Due to the discount for consolidation there will be a surplus with respect to maintaining the FY 1986 inventory. This surplus will be used to fund equipment installed in FY 1986, for which only partial maintenance expenditures were incurred, and equipment installed in FY 1987. Use of the surplus will forestall the requirement for components to continually transfer funds to OIT throughout the Fiscal Year (via Forms 1716) as new equipment requires maintenance. These transfers would be an unacceptable administrative burden. It should be noted that any funding shortfalls in the OIT consolidated account must be considered an Agency problem and not an OIT problem. Once again, we cannot agree to this approach if it requires OIT to subsidize the maintenance of Agency equipment when we have not budgeted for those services. [redacted]

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4. We will attempt to budget for Wang maintenance as soon as feasible (FY 1990). In FY 1988 and FY 1989, the Comptroller will be called upon to continue to consolidate Wang maintenance monies in a fenced account in the OIT budget. [redacted]

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5. OIT requests that the DDA Management Staff negotiate with the Comptroller to implement these procedures. Due to the considerable funds involved (e.g., [redacted] in the DDS&T, and [redacted] in the DDO), there may well be significant component resistance. We believe the Comptroller should confront component concerns about the loss of Base resources directly: it will definitely result in considerable Agency-wide saving and a reduction in the OL and OF workloads and, in the short run, direct component savings should be achieved. [redacted]

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6. Thank you for your help with this matter. If you have any questions on the above approach, please do not hesitate to contact me [redacted] OIT B&F Officer [redacted] or our Wang Action Officer, [redacted]

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